



3015 (02-09-04)

ANNUAL REPORT

OF

Name: OSSEO MUNICIPAL WATER AND SEWER UTILITY

Principal Office: 13712 8TH STREET
P.O. BOX 308
OSSEO, WI 54758

For the Year Ended: DECEMBER 31, 2002

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: OSSEO MUNICIPAL WATER AND SEWER UTILITY**Utility Address:** 13712 8TH STREET

P.O. BOX 308

OSSEO, WI 54758

When was utility organized? 1/1/1928**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: MR JAMES R DEICH**Title:** PUBLIC WORKS DIRECTOR**Office Address:**

13712 8TH STREET

OSSEO, WI 54758

Telephone: (715) 597 - 2207**Fax Number:** (715) 597 - 2600**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: KRISTI ZARINS, CPA**Title:****Office Address:** VIRCHOW, KRAUSE & COMPANY

P.O. BOX 1148

EAU CLAIRE, WI 54702

Telephone: (715) 833 - 1717 EXT 12**Fax Number:** (715) 836 - 7877**E-mail Address:** kzarins@virchowkrause.com

President, chairman, or head of utility commission/board or committee:

Name: TOM TWESME**Title:** MAYOR**Office Address:**

13712 8TH STREET

P.O. BOX 308

OSSEO, WI 54758

Telephone: (715) 597 - 2207**Fax Number:** (715) 597 - 2600**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:**

Office Address: VIRCHOW, KRAUSE & COMPANY
P.O. BOX 1148
EAU CLAIRE, WI 54702

Telephone: (715) 833 - 1717**Fax Number:** (715) 836 - 7877**E-mail Address:****Date of most recent audit report:** 2/15/2002**Period covered by most recent audit:** THE YEAR ENDED DECEMBER 31, 2001

Names and titles of utility management including manager or superintendent:

Name: MR DALE OLSON**Title:** UTILITY SUPERINTENDENT**Office Address:**

13712 8TH STREET
P.O. BOX 308
OSSEO, WI 54758

Telephone: (715) 597 - 2207**Fax Number:** (715) 597 - 2600**E-mail Address:**

Name of utility commission/committee: OSSEO CITY COUNCIL

Names of members of utility commission/committee:

MR JIM DEICH, PUBLIC WORKS DIRECTOR
MR TODD KITTLESON, CITY COUNCIL MEMBER
MR TOM TWESME, MAYOR
MR LONNIE ZINGSHIEM

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? NO

Date of Ordinance:

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	365,838	367,904	1
Operating Expenses:			
Operation and Maintenance Expense (401)	157,998	147,661	2
Depreciation Expense (403)	59,613	56,717	3
Amortization Expense (404)	244	0	4
Taxes (408)	70,421	67,940	5
Total Operating Expenses	288,276	272,318	
Net Operating Income	77,562	95,586	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	77,562	95,586	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	7,234	18,874	9
Miscellaneous Nonoperating Income (421)	0	104,627	10
Total Other Income	7,234	123,501	
Total Income	84,796	219,087	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	0	0	12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	84,796	219,087	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	13,646	22,691	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	809	6,400	18
Total Interest Charges	12,837	16,291	
Net Income	71,959	202,796	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(73,750)	(276,546)	19
Balance Transferred from Income (433)	71,959	202,796	20
Miscellaneous Credits to Surplus (434)	303,697	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	301,906	(73,750)	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST ON INVESTMENTS	7,234	4
Total (Acct. 419):	7,234	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
TRANSFER OF EQUITY TO SEWER UTILITY	303,697	8
Total (Acct. 434):	303,697	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	365,838	0	0	0	365,838	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	90				90	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	365,748	0	0	0	365,748	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	2,987,221	2,884,932	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	758,550	705,201	2
Net Utility Plant	2,228,671	2,179,731	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	4,054,889	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	757,681	4
Net Nonutility Property	0	3,297,208	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	5,393	6
Special Funds (125)	0	151,968	7
Total Other Property and Investments	0	3,454,569	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	352,734	283,985	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	22,423	59,399	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	766,300	14
Materials and Supplies (150)	6,522	4,483	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	381,679	1,114,167	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	6,183	14,000	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	6,183	14,000	
Total Assets and Other Debits	2,616,533	6,762,467	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	785,581	1,499,473	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	301,906	(73,750)	23
Total Proprietary Capital	1,087,487	1,425,723	
LONG-TERM DEBT			
Bonds (221)	260,100	713,944	24
Advances from Municipality (223)	0	162,431	25
Other long-Term Debt (224)	0	1,128,550	26
Total Long-Term Debt	260,100	2,004,925	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	8,084	274,375	28
Payables to Municipality (233)	0	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	4,562	6,374	32
Other Current and Accrued Liabilities (238)	2,631	5,388	33
Total Current and Accrued Liabilities	15,277	286,137	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	1,253,669	3,045,682	38
Total Liabilities and Other Credits	2,616,533	6,762,467	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	2,973,798	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)	13,423				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	2,987,221	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	758,550	0	0	0	9
Total Accumulated Provision	758,550	0	0	0	
Net Utility Plant	2,228,671	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT (ACCT. 110)

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	705,201				705,201	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	59,613				59,613	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	1,808				1,808	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	61,421	0	0	0	61,421	13
Debits during year						14
Book cost of plant retired	8,072				8,072	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	8,072	0	0	0	8,072	19
Balance End of Year	758,550	0	0	0	758,550	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	2,647,052		2,647,052	0	1
Other (specify):					
CONSTRUCTION IN PROGRESS	1,407,837		1,407,837	0	2
Total Nonutility Property (121)	4,054,889	0	4,054,889	0	
Less accum. prov. depr. & amort. (122)	757,681		757,681	0	3
Net Nonutility Property	3,297,208	0	3,297,208	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	6,522	4,483	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	6,522	4,483	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
WATER DEBT ISSUANCE COSTS	243	428	6,183	1
Total			6,183	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	1,499,473	1
Changes during year (explain):		
FIXED ASSETS CONTRIBUTED BY DEVELOPER	35,843	2
SEWER PORTION OF CAPITAL PAID IN BY MUNICIPALITY	(749,735)	3
Balance end of year	785,581	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
2002 WATER REVENUE BONDS	08/01/2002	12/01/2013	4.39%	260,100	1
Total Bonds (Account 221):				260,100	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	65,469	2
Charged electric department expense		3
Charged sewer department expense	714	4
Other (explain):		
NONE		5
Total Accruals and other credits	66,183	
Taxes paid during year:		
County, state and local taxes	61,231	6
Social Security taxes	4,597	7
PSC Remainder Assessment	355	8
Other (explain):		
NONE		9
Total payments and other debits	66,183	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
1994 WATER REVENUE BONDS	1,301	9,084	10,385	0	1
2002 WATER REVENUE BONDS		4,562		4,562	2
Subtotal	1,301	13,646	10,385	4,562	
Advances from Municipality (223)					
ADVANCE TO GENERAL FUND	0			0	3
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
CLEAN WATER FUND	5,073		5,073	0	4
Subtotal	5,073	0	5,073	0	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	6,374	13,646	15,458	4,562	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	1,253,669	0	0	1,792,013	0	3,045,682	1
Add credits during year:							
For Services						0	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
SEWER PORTION OF CIAC				1,792,013		1,792,013	5
Balance End of Year	1,253,669	0	0	0	0	1,253,669	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	22,423	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	22,423	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
Payables to Municipality (233):	
NONE	16
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	17
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	2,929,365	0	0	0	2,929,365	1
Materials and Supplies	5,502	0	0	0	5,502	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	731,875	0	0	0	731,875	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	1,253,669	0	0	0	1,253,669	6
Other (specify):						
NONE					0	7
Average Net Rate Base	949,323	0	0	0	949,323	
Net Operating Income	77,562	0	0	0	77,562	8
Net Operating Income as a percent of						
Average Net Rate Base	8.17%	N/A	N/A	N/A	8.17%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	1,142,527	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	114,078	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	1,256,605	
Net Income		
Net Income	71,959	5
Percent Return on Proprietary Capital	5.73%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Net Nonutility Property (Accts. 121 & 122) (Page F-08)

In prior years, the City of Osseo had accounted for their water and sewer utility in the same fund. During 2002, the City split this fund to account for the water utility in a separate fund and the sewer utility in a separate fund. Therefore, the sewer plant should no longer be included in the PSC report.

Interest Accrued (Acct. 237) (Page F-16)

The Clean Water Fund debt is now accounted for the City's separate sewer utility fund. The beginning of the year balance was entered as the amount paid during the year in order to clear out this account.

Signature Page (Page ii)

ACCOUNTANTS' COMPILATION REPORT

To the City Council
City of Osseo
Osseo, WI 54758

We have compiled the accompanying PSC Report of the Osseo Water and Sewer Utility, an enterprise fund of the City of Osseo, as of December 31, 2002 and 2001, in accordance with Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Wisconsin Public Service Commission, information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

VIRCHOW, KRAUSE & COMPANY, LLP

Eau Claire, Wisconsin
February 27, 2003

Identification and Ownership - Contacts (Page iv)

good filer

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	361,201	1
Total Sales of Water	361,201	
Other Operating Revenues		
Forfeited Discounts (470)	510	2
Other Water Revenues (474)	4,127	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	4,637	
Total Operating Revenues	365,838	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	93,556	5
General Operating Expenses (680-690)	64,442	6
Total Operation and Maintenance Expenses	157,998	
Other Operating Expenses		
Depreciation Expense (403)	59,613	7
Amortization Expense (404)	244	8
Taxes (408)	70,421	9
Total Other Operating Expenses	130,278	
Total Operating Expenses	288,276	
NET OPERATING INCOME	77,562	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial	4	149	770	2
Industrial				3
Total Unmetered Sales to General Customers (460)	4	149	770	
Metered Sales to General Customers (461)				
Residential	670	26,852	118,733	4
Commercial	111	20,030	54,018	5
Industrial				6
Total Metered Sales to General Customers (461)	781	46,882	172,751	
Private Fire Protection Service (462)	4		3,950	7
Public Fire Protection Service (463)	1		162,017	8
Other Sales to Public Authorities (464)	32	6,537	21,713	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	822	53,568	361,201	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	162,017	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	162,017	
Forfeited Discounts (470):		
Customer late payment charges	510	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	510	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	1,791	7
Other (specify):		
MISCELLANEOUS	2,336	8
Total Other Water Revenues (474)	4,127	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	37,630	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	15,098	3
Chemicals (630)	19,809	4
Supplies and Expenses (640)	4,523	5
Repairs of Water Plant (650)	11,681	6
Transportation Expenses (660)	4,815	7
Total Plant Operation and Maintenance Expenses	93,556	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	22,544	8
Office Supplies and Expenses (681)	3,930	9
Outside Services Employed (682)	14,566	10
Insurance Expense (684)	13,057	11
Employees Pensions and Benefits (686)	8,111	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	2,144	14
Uncollectible Accounts (690)	90	15
Total General Operating Expenses	64,442	
Total Operation and Maintenance Expenses	157,998	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent		66,183	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		714	2
Net property tax equivalent		65,469	
Social Security		4,597	3
PSC Remainder Assessment		355	4
Other (specify): NONE			5
Total tax expense		70,421	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Trempealeau				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.199580				3
County tax rate	mills		6.252035				4
Local tax rate	mills		9.111332				5
School tax rate	mills		13.232724				6
Voc. school tax rate	mills		1.800252				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		30.595923				10
Less: state credit	mills		1.631116				11
Net tax rate	mills		28.964807				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		9.111332				14
Combined School Tax Rate	mills		15.032976				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		24.144308				17
Total Tax Rate	mills		30.595923				18
Ratio of Local and School Tax to Total	dec.		0.789135				19
Total tax net of state credit	mills		28.964807				20
Net Local and School Tax Rate	mills		22.857138				21
Utility Plant, Jan. 1	\$	2,884,931	2,884,931				22
Materials & Supplies	\$	4,483	4,483				23
Subtotal	\$	2,889,414	2,889,414				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	2,889,414	2,889,414				26
Assessment Ratio	dec.		1.002112				27
Assessed Value	\$	2,895,516	2,895,516				28
Net Local & School Rate	mills		22.857138				29
Tax Equiv. Computed for Current Year	\$	66,183	66,183				30
Tax Equivalent per 1994 PSC Report	\$	48,646					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	66,183					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	10,439		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	16,741		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	2,085		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	29,265	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	3,095		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	96,408		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	99,503	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	300		21
Structures and Improvements (331)	18,018		22
Water Treatment Equipment (332)	33,231		23
Total Water Treatment Plant	51,549	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	760		24
Structures and Improvements (341)	0		25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			10,439	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			16,741	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			2,085	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	29,265	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			3,095	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			96,408	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	99,503	
WATER TREATMENT PLANT				
Land and Land Rights (330)			300	21
Structures and Improvements (331)			18,018	22
Water Treatment Equipment (332)			33,231	23
Total Water Treatment Plant	0	0	51,549	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			760	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	972,909		26
Transmission and Distribution Mains (343)	1,166,151	50,662	27
Fire Mains (344)	0		28
Services (345)	225,827	15,767	29
Meters (346)	62,312	11,399	30
Hydrants (348)	219,960	19,110	31
Other Transmission and Distribution Plant (349)	19,996		32
Total Transmission and Distribution Plant	2,667,915	96,938	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	1,667		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	18,568		37
Other General Equipment (379)	16,465		38
Other Tangible Property (390)	0		39
Total General Plant	36,700	0	
Total utility plant in service directly assignable	2,884,932	96,938	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	2,884,932	96,938	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			972,909	26
Transmission and Distribution Mains (343)	1,572		1,215,241	27
Fire Mains (344)			0	28
Services (345)	1,030		240,564	29
Meters (346)	4,560		69,151	30
Hydrants (348)	910		238,160	31
Other Transmission and Distribution Plant (349)			19,996	32
Total Transmission and Distribution Plant	8,072	0	2,756,781	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			1,667	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			18,568	37
Other General Equipment (379)			16,465	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	36,700	
Total utility plant in service directly assignable	8,072	0	2,973,798	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	8,072	0	2,973,798	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			5,769	5,769	1
February			5,346	5,346	2
March			5,963	5,963	3
April			5,983	5,983	4
May			7,119	7,119	5
June			6,776	6,776	6
July			7,593	7,593	7
August			6,659	6,659	8
September			5,977	5,977	9
October			6,582	6,582	10
November			6,711	6,711	11
December			6,999	6,999	12
Total annual pumpage	0	0	77,477	77,477	
Less: Water sold				53,568	13
Volume pumped but not sold				23,909	14
Volume sold as a percent of volume pumped				69%	15
Volume used for water production, water quality and system maintenance				8,004	16
Volume related to equipment/system malfunction				145	17
Non-utility volume NOT included in water sales				130	18
Total volume not sold but accounted for				8,279	19
Volume pumped but unaccounted for				15,630	20
Percent of water lost				20%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				326	23
Date of maximum: 5/24/2002					24
Cause of maximum:					25
The date was the Friday before Memorial Day weekend. The city experienced heavy commercial usage.					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				61	26
Date of minimum: 1/19/2002					27
Total KWH used for pumping for the year				160,400	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
12TH AND ROSE	2	170	15	80,000	Yes	1
9TH AND CHARLES	3	222	20	140,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	2	3		1
Location	ROSE	9TH		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	FRANKLIN ELECTRIC	US ELECTRIC		5
Year Installed	1999	1965		6
Type	SUBMERSIBLE	VERTICAL TURBINE		7
Actual Capacity (gpm)	215	450		8
Pump Motor or Standby Engine Mfr	SPECTRUM	GE		10
Year Installed	2000	1965		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	50	15		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	2	3	4	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
				3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	R	ET	R	4
				5
Year constructed	1975	1984	1997	6
				7
Primary material (earthen, steel, concrete, other)	CONCRETE	STEEL	STEEL	8
				9
Elevation difference in feet (See Headnote 3.)	50	136	45	10
				11
Total capacity in gallons (actual)	250,000	250,000	400,000	12
WATER TREATMENT PLANT				13
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID	LIQUID		14
				15
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE	WELLHOUSE		16
				17
Filters, type (gravity, pressure, other, none)	GRAVITY	OTHER		18
				19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	50.0000	250.0000		20
				21
Is a corrosion control chemical used (yes, no)?	Y	Y		22
				23
Is water fluoridated (yes, no)?	N	N		24
				25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	2.000	229	0	0	0	229
M	D	3.000	467	0	0	0	467
M	D	4.000	4,487	0	262	0	4,225
M	D	6.000	38,111	0	0	0	38,111
M	D	8.000	25,288	0	0	0	25,288
P	D	8.000	4,083	1,626	0	0	5,709
M	D	10.000	4,591	0	0	0	4,591
P	D	10.000	3,118	304	0	0	3,422
M	D	12.000	2,328	0	0	0	2,328
P	D	12.000	6,562	0	0	0	6,562
Total Within Municipality			89,264	1,930	262	0	90,932
Total Utility			89,264	1,930	262	0	90,932

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	654	0	11	0	643	21	1
M	1.000	158	22	0	0	180	64	2
M	1.250	3	0	0	0	3		3
M	1.500	14	0	0	0	14	5	4
M	2.000	15	0	0	0	15	6	5
M	3.000	3	0	0	0	3		6
M	4.000	10	0	0	0	10	2	7
P	6.000	1	0	0	0	1		8
M	6.000	3	0	0	0	3	1	9
M	8.000	3	0	0	0	3	1	10
Total Utility		864	22	11	0	875	100	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.750	790	110	81	0	819	110	1
1.000	26	1	0	0	27	1	2
1.250	1	0	0	0	1	0	3
1.500	14	2	0	0	16	1	4
2.000	6	0	0	0	6	0	5
3.000	6	3	0	0	9	2	6
4.000	1	0	0	0	1	0	7
Total:	844	116	81	0	879	114	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.750	670	67	0	18	0	64	819	1
1.000	0	22	0	2	0	3	27	2
1.250	0	1	0	0	0	0	1	3
1.500	0	13	0	1	0	2	16	4
2.000	0	4	0	2	0	0	6	5
3.000	0	3	0	6	0	0	9	6
4.000	0	0	0	1	0	0	1	7
Total:	670	110	0	30	0	69	879	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0			6	6	1
Within Municipality	164	7	4	(6)	161	2
Total Fire Hydrants	164	7	4	0	167	
Flushing Hydrants						
	2				2	3
Total Flushing Hydrants	2	0	0	0	2	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year

Number of hydrants operated during year: 167

Number of distribution system valves end of year: 294

Number of distribution valves operated during year: 129

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

Outside Services Employed (Account 682) has increased from the prior year because the City had a computer system upgrade during 2002.

Miscellaneous General Expenses (Account 689) has decreased from the prior year. The amount for 2001 was high. The amount of miscellaneous expense in 2002 is comparable to other years.

Fuel or Power Purchased for Pumping (Account 620) has increased because in the prior year some of these expenses were being incorrectly reported in Account 660 (Transportation Expenses). This was corrected during 2002.

Transportation Expenses (Account 660) have decreased because in the prior year some of the fuel purchased for pumping was being incorrectly reported in this account instead of in Account 620 (Fuel or Power Purchased for Pumping). This was corrected during 2002.

Water Mains (Page W-15)

Water main additions in 2002 were partially financed by debt proceeds and contributions from the city.

Water Services (Page W-16)

Water service additions during 2002 were partially financed by debt proceeds and contributions from the city.

Hydrants and Distribution System Valves (Page W-18)

The split of hydrants inside and outside the municipality at the beginning of the year was incorrect. Hydrants were adjusted this year to account for hydrants which are outside of the municipality.
